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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

DAVID HOUGH;)	Case No.: 2:24-cv-02886-WLH
AMUND THOMPSON;)	
ISABEL RAMOS;	)	FIRST AMENDED COMPLAINT
ANTHONY RAMOS;	)	FOR:
MICHAEL NIBARGER	)	1. FRAUD CONSPIRACY
	)	2. AIDING AND ABETTING
Plaintiffs,	)	FRAUD
vs.	)	3. FRAUDULENT TRANSFERS
	)	IN FURTHERANCE OF
RYAN CARROLL;	)	CONSPIRACY
MAX K. DAY;	)	CLASS ACTION
MAX O. DAY;)	
MICHAEL DAY;	)	DEMAND FOR JURY TRIAL
JARED DAY;)	
MATTHEW CROUCH;)	
CHRISTINE CARROLL;)	
TROY MARCHAND;)	
BONNIE NICHOLS;)	
TRAVIS MARKER;)	
REYHAN PASINLI;)	
YAX ECOMMERCE LLC; PRECISION)	
TRADING GROUP, LLC;)	
WA DISTRIBUTION LLC;)	
PROVIDENCE OAK PROPERTIES,)	
LLC;)	
WA AMAZON SELLER LLC;)	

1 YAX IP AND MANAGEMENT INC.
(D.B.A. “FULFILLABLE”);
2 MKD INVESTMENT ADVISOR, LLC;
3 MKD FAMILY BENEFICIARY, LLC;
MKD FAMILY PRIVATE
4 MANAGEMENT COMPANY, LLC;
5 MAX DAY CONSULTING, LLC;
HOUTEX FARM EQUITY PARTNERS
6 LLC;
7 BUSINESS FINANCIAL SOLUTIONS
ADVISORY LLC;
8 EVO MAXX LLC;
9 WWKB LLC;
DREAMS TO REALITY LLC;
10 QUANTUM ECOMMERCE, LLC;
11 WHOLESALE UNIVERSE, INC.;
THE LAW OFFICE OF TRAVIS R.
12 MARKER, A PROFESSIONAL
13 CORPORATION (D.B.A. “MARKER
LAW AND MEDIATION”);
14 PARLAY LAW GROUP A
15 PROFESSIONAL CORPORATION;
TOTAL-APPS, INC.;
16 WELLS FARGO BANK, N.A.

17
18 Defendants.

19 **FIRST AMENDED COMPLAINT — CLASS ACTION**

20 Plaintiffs David Hough, Amund Thompson, Isabel Ramos and Anthony
21 Ramos, and Michael Nibarger (collectively, “Plaintiffs” or “Class Representatives”),
22 individually and on behalf of others similarly situated, by and through their attorneys,
23 bring this class action complaint against the following Defendants: (1) Ryan Carroll;
24 Max K. Day; Max O. Day; Michael Day; Jared Day; Matthew Crouch; Christine
25 Carroll; Troy Marchand; Bonnie Nichols; Travis Marker; and Reyhan Pasinli
26
27
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(collectively, the “Human Defendants”); (2) Yax Ecommerce LLC; Precision Trading Group, LLC; WA Distribution LLC; Providence Oak Properties, LLC; WA Amazon Seller LLC; and Yax IP and Management Inc.; (collectively, the “Wealth Assistants Entity Defendants”); (3) MKD Investment Advisor, LLC; MKD Family Beneficiary, LLC; MKD Family Private Management Company, LLC; Max Day Consulting, LLC; HouTex Farm Equity Partners LLC; Business Financial Solutions Advisory LLC; Evo Maxx LLC; Dreams To Reality LLC; and WWKB LLC (collectively, the “Alter Ego Defendants”); (4) Quantum Ecommerce, LLC; and Wholesale Universe, Inc. (collectively, the “Quantum-Wholesale Partnership”); and (5) The Law Office of Travis R. Marker, a Professional Corporation (d.b.a. “Marker Law and Mediation”); Parlay Law Group, A Professional Corporation; Total-Apps, Inc.; and Wells Fargo Bank, N.A. (collectively, the “Payment Processing Defendants”). Plaintiffs allege as follows:

JURISDICTION AND VENUE

1. Plaintiffs invoke the diversity jurisdiction of the Court pursuant to 28 U.S.C. § 1332(d) because: (1) at least one Plaintiff in this putative class action resides in a different state from at least one defendant, (2) there are more than 100 putative class members, and (3) there are more than \$5 million in controversy.
2. Venue is proper in this district under 28 U.S.C. § 1391 because Plaintiff Michael Nibarger has resided in Los Angeles County at all times relevant to this dispute.

- 1 3. Personal Jurisdiction over the Wealth Assistants Entity Defendants is proper
2 because they purposely defrauded many California residents, collecting over
3 \$1,000,000 from those residents.
4
- 5 4. Personal Jurisdiction over the Human Defendants, the Quantum-Wholesale
6 Partnership, and the Payment Processing Defendants is proper because they
7 conspired with the Wealth Assistants Entity Defendants and others to defraud
8 individuals across the country. Carrying out that conspiracy included—
9 foreseeably—intentionally defrauding dozens of California residents out of
10 more than \$1,000,000.
11
12
- 13 5. Moreover, the Human Defendants, the Quantum-Wholesale Partnership, and
14 the Payment Processing Defendants all knew or should have known that
15 Wealth Assistants’ conspiracy to conceal assets was centered in California. In
16 particular, Christine Carroll—Wealth Assistants’ Finance Manager—resided in
17 and worked in California at all times relevant to this dispute. Moreover, Total
18 Apps—which, upon information and belief, directed and planned the scheme to
19 conceal assets—was headquartered in and did business in California at all
20 times relevant to this dispute.
21
22
- 23 6. The Quantum-Wholesale Partnership is subject to personal jurisdiction in
24 California for the additional reason that it intentionally made misstatements to
25 many California residents in furtherance of the conspiracy’s aim to defraud
26 those residents. For example, the Quantum-Wholesale Partnership intentionally
27
28

1 sent emails to many California residents telling them—falsely—that Wealth
2 Assistants had purchased valuable inventory packages for those residents.

3 7. Personal Jurisdiction over the Alter Ego Defendants is proper because they are
4 the alter egos of other defendants who are subject to personal jurisdiction in
5 California, as described in more detail below.
6

7
8 **SUMMARY OF CASE**

9 8. Wealth Assistants obtained more than \$50 million by defrauding more than
10 600 individuals.
11

12 9. Specifically, Wealth Assistants advertised that it would provide its clients with
13 substantial income by setting up and managing lucrative online Amazon stores
14 that the clients would own. But Wealth Assistants did not provide the promised
15 services. Instead, it used the fees it collected from Plaintiffs and its other
16 clients for the benefit of the Human Defendants.
17

18 10. Wealth Assistants' clients would pay it an upfront fee of up to \$125,000 to set
19 up an online Amazon store in the client's name and manage it. After that, the
20 client would pay for the store's inventory, along with certain other smaller fees.
21 In return, the individual would be entitled to collect between 50 percent and 70
22 percent of the online store's gross profits.
23

24 11. Wealth Assistants advertised that the profits of an online store it managed
25 should grow to more than \$10,000 per month by the end of the store's first
26 year.
27
28

1 12.Hundreds of individuals purchased the business opportunity Wealth Assistants
2 offered. Most of these purchasers were middle class, and many had to use all
3 their retirement savings or take out home equity loans to make the purchase.
4

5 13.Wealth Assistants never intended to follow through on its promises.

6 14.Some of Wealth Assistants' clients never even received an online store after
7 paying the fee. Others received stores (which themselves are valueless and can
8 be easily and freely set up), but their stores were never stocked with any
9 inventory. Others paid Wealth Assistants for inventory after receiving
10 inventory invoices from Wealth Assistants that turned out to be fake; the
11 inventory never actually appeared in their stores.
12
13

14 15.Ultimately, the vast majority of Wealth Assistants' clients have received less
15 than \$10,000 in profits from their online stores, and many never received a
16 single dollar of revenue from their stores (if they received stores at all).
17

18 16.Wealth Assistants perpetuated its fraudulent enterprise for as long as it could.
19 When Plaintiffs and other individuals complained, Wealth Assistants invented
20 excuses. It blamed "supply chain disruption," for example. It asked its clients
21 for patience.
22

23 17.Eventually, however, Plaintiffs and other individuals realized that they had
24 been defrauded. Many of Wealth Assistants' clients demanded their money
25 back, complained to their banks, or alerted government agencies about the
26 ongoing fraud.
27
28

1 18. Realizing that its fraud was being exposed, Wealth Assistants shut down. In
2 October of 2023, Wealth Assistants announced to all of its clients that it was
3 going out of business. The announcement told Plaintiffs that they would not
4 receive further services and would not receive their money back.
5

6 19. Throughout this fraudulent scheme, instead of using the money collected from
7 Wealth Assistants' clients to provide the promised services, Wealth Assistants
8 used much of the money it collected from its clients for the benefit of the
9 Human Defendants. For example, Wealth Assistants' CEO, Ryan Carroll, has
10 recently flaunted his new Lamborghini.
11
12

13 20. The Payment Processing Defendants helped Wealth Assistants avoid scrutiny
14 from regulators, conceal assets, and launder the proceeds of the fraudulent
15 scheme to the Human Defendants.
16

17 **CLASS REPRESENTATIVES**
18

19 21. Amund Thompson is an individual who has resided in Grass Valley, California
20 at all times relevant to this dispute.
21

22 22. David Hough is an individual who has resided in Temecula, California at all
23 times relevant to this dispute.
24

25 23. Isabel Ramos is an individual who has resided in Clovis, California at all times
26 relevant to this dispute.
27

28 24. Michael Nibarger is an individual who has resided in Los Angeles County at
all times relevant to this dispute.

DEFENDANTS

A. Human Defendants

25. Defendant Ryan Carroll is an individual who has resided in Florida at all times relevant to this dispute.

26. Defendant Max K. Day is an individual who has resided in Texas at all times relevant to this dispute.

27. Defendant Max O. Day is an individual who has resided in Texas at all times relevant to this dispute.

28. Defendant Michael Day is an individual who has resided in Texas at all times relevant to this dispute.

29. Defendant Jared Day is an individual who has resided in Texas at all times relevant to this dispute.

30. Defendant Matthew Crouch is an individual who has resided in New York at all times relevant to this dispute.

31. Defendant Christine Carroll is an individual who has resided in California at all times relevant to this dispute.

32. Defendant Troy Marchand is an individual who has resided in Indiana at all times relevant to this dispute.

33. Defendant Bonnie Nichols is an individual who has resided in Texas at all times relevant to this dispute.

1 34. Defendant Reyhan Pasinli is an individual who has resided in California at all
2 times relevant to this dispute.

3 35. Defendant Travis Marker is an individual who has resided in Utah at all times
4 relevant to this dispute.
5

6 **B. Wealth Assistants Entity Defendants**

7 36. Each of the following entities did business as “Wealth Assistants:” **Yax**
8 **Ecommerce LLC; Precision Trading Group, LLC; WA Distribution LLC;**
9 **Providence Oak Properties, LLC; and WA Amazon Seller LLC.**
10

11 37. Upon information and belief, **Yax IP and Management Inc.** also did business
12 as “Wealth Assistants.”
13

14 38. Upon information and belief, those Wealth Assistants Entity Defendants did
15 not have operations distinct from one another and did not follow corporate
16 formalities; instead, they acted as each others’ alter egos at all times.
17

18 39. Upon information and belief, the Wealth Assistants Entity Defendants were
19 created as separate entities solely for the purpose of making it more difficult
20 for their creditors to find and collect the Wealth Assistants Entity Defendants’
21 assets.
22

23 40. Upon Information and belief, the Wealth Assistants Entity Defendants were
24 also inadequately capitalized at all times relevant to this dispute.
25
26
27
28

1 41. Each of the Wealth Assistants Entity Defendants was owned, directly or
2 indirectly, solely by one or more of the following individuals: Max K. Day,
3 Max O. Day, Michael Day, and/or Ryan Carroll.
4

5 **C. Alter Ego Defendants**

6 42. Defendant MKD Investment Advisor, LLC is a limited liability company.

7 Upon information and belief, its sole member is Max K. Day.
8

9 43. Defendant MKD Family Beneficiary, LLC is a limited liability company. Upon
10 information and belief, its sole member is Max K. Day.
11

12 44. Defendant MKD Family Private Management Company, LLC is a limited
13 liability company. Upon information and belief, its sole member is Max K.
14 Day.
15

16 45. Defendant Max Day Consulting, LLC is a limited liability company. Upon
17 information and belief, its sole member is Max K. Day.
18

19 46. Defendant HouTex Farm Equity Partners LLC is a limited liability company.
20 Upon information and belief, its sole member is Max K. Day.
21

22 47. Defendant Business Financial Solutions Advisory, LLC is a limited liability
23 company. Upon information and belief, its sole member is Max K. Day.
24

25 48. Defendant EvoMaxx, LLC, is a limited liability company. Upon information
26 and belief, its sole member is Max K. Day.
27
28

1 49. Defendant Dreams to Reality, LLC is a limited liability company. Upon
2 information and belief, its sole member is Ryan Carroll.

3 50. Defendant WWKB, LLC is a limited liability company. Upon information and
4 belief, its sole member is Michael Day.

5
6 51. Upon information and belief, each of the Alter Ego Defendants acted as their
7 owner's alter ego.

8
9 52. Upon information and belief, each of the Alter Ego Defendants were
10 undercapitalized.

11 53. Upon information and belief, none of the Alter Ego Defendants had any
12 operations.

13
14 54. Upon information and belief, none of the Alter Ego Defendants followed
15 corporate formalities, such as maintaining their own by-laws or accurate books
16 and records.

17
18 **D. Quantum-Wholesale Partnership Defendants**

19 55. Defendant Quantum Ecommerce is a limited liability company incorporated in
20 Indiana. Its sole member is Troy Marchand.

21
22 56. Defendant Wholesale Universe is a company incorporated in Texas.

23 **E. Payment Processing Defendants**

24
25 57. Defendant Travis Marker acted on behalf of himself and Defendants The Law
26 Office of Travis R. Marker ("Marker Law") and Parlay Law Group at all times
27 relevant to this dispute. Those two entities are incorporated in Utah.
28

1 58. Defendant Total-Apps, Inc. (“Total-Apps”) is a corporation that is
2 headquartered in California.

3 59. Defendant Wells Fargo Bank, N.A. (“Wells Fargo”) is a corporation that is
4 headquartered in California.
5

6 **FACTS**
7

8 **A. Wealth Assistants’ Misrepresentations About Its Services**
9

10 60. The following is a summary of Wealth Assistants’ agreements with its clients,
11 including Plaintiffs:

- 12 a. Wealth Assistants’ clients would pay it to set up an online store on the
13 Amazon platform that the clients would own. These stores offered goods
14 for shoppers to purchase online.
15
- 16 b. Wealth Assistants’ clients would pay for the online store's inventory.
17
- 18 c. Wealth Assistants’ clients were required to pay certain other fees, such
19 as annual fees and a “success fee” when the store was successfully set
20 up.
21
- 22 d. Wealth Assistants would manage the store, including by providing
23 customer service, maintaining relationships with suppliers, and
24 managing the inventory.
25
- 26 e. Wealth Assistants’ clients would keep between 50 percent and 70
27 percent of the gross profits generated by the stores, and Wealth
28

1 Assistants would take the remaining profits for itself as a management
2 fee.

3 61.Until around November of 2022, most or all of Wealth Assistants' clients
4 signed a standardized contract very similar to the one shown in Exhibit A of
5 this Complaint.
6

7 62.The contract referenced in the paragraph above contained numerous statements
8 that Wealth Assistants knew were false. For example, the contract stated:
9

10 The Client will own a turnkey automated drop shipping Amazon retail
11 store, which will be built and operated by the Service Provider. Product
12 research, supplier negotiations, supplier relationships, product listing,
13 day-to-day price updates, quality control, processing returns, customer
14 service, financial reporting, and business growth in the direction of
15 \$10,000+ net profit monthly (assuming Client has the necessary
resources, cash/credit) are among the services provided.

16 63.The contract also stated "In months 12 – 60+, the goal will be to net the Client
17 upwards of multiple 6-figures per year (\$350-\$600K+ per year) if Client
18 remains with the Service Provider and this Contract is not terminated for any
19 such reason."
20

21 64.Wealth Assistants knew that nobody planned to provide Wealth Assistants'
22 clients with the full set of services Wealth Assistants was promising in that
23 contract. For example, Wealth Assistants knew that it did not have a goal of
24 generating \$10,000 of monthly profit in its clients' stores. Wealth Assistants
25 knew that it instead intended to neglect its clients' stores so that the stores
26 would generate little or no profits.
27
28

1 65. The contract also contained the following “Buyback” clause:

2 If Client has substantially complied with all the provisions of this
3 Service Agreement, and after the Client’s 1st anniversary of getting their
4 first Amazon sale, they have not made back their initial \$55,000 (fifty-
5 five thousand dollars) investment from net profit on their business, the
6 Service Provider will offer them a buy-back of their Amazon retail store
7 or waive their two thousand five hundred dollars (\$2,500) annual store
8 renewal fee if they have not yet paid it or credit them their annual
9 renewal fee in full if they have already paid it.

10 66. Wealth Assistants knew that it never intended to honor its Buyback clause.

11 67. Around November of 2022, Wealth Assistants began using a different
12 standardized contract for its new clients. An example of that standardized
13 contract is Exhibit B to this Complaint. This later standard contract stated that
14 “The Service Provider’s principal aims are to provide a ‘done for you’
15 operation for Client, focusing on high-quality lawfully commercialized
16 products offered at competitive prices accompanied by excellent customer
17 service for end-user customers in a manner that promotes growth.”

18 68. The following “description of services” appeared in those contracts:

19 A. Initial Phase. Initially, Service Provider will manage the process of
20 transferring the Store to Client (the “Migration”). Migration includes but
21 is not limited to: finalizing the Transfer (described at Exhibit D),
22 changing account names, email address, bank account information,
23 payment information, and other steps required by the Host. Migration
24 generally takes 1 to 2 weeks but may be substantially delayed if issues
25 arise. Migration completes upon delivery of new account credentials and
26 the training manual.

27 B. Ramp-Up. During the remainder of the first year, Service Provider will
28 steadily encourage and support ramping up the scale of the Store by, for

example, increasing product listings, optimizing SEO, and exploring advertising opportunities. Increased inventory will be required to meet increased demand as described below. The focus of this period is to lay the groundwork for future success.

MONTHS	COST OF INVENTORY PER MONTH
1	\$15,000
2 - 3	\$30,000
4 - 6	\$50,000
7 - 12	\$70,000
13 – 18 *	\$90,000
* The end of this period is the “ Milestone. ”	

69. Wealth Assistants knew that it would not be able to “ramp up” stores at the rate it promised in its contracts.

70. Likewise, the following description of Wealth Assistants’ “Management” services appeared in the same contract:

B. Management. Service Provider will serve as a business consultant for the Store; performing for example:

- Product research and analysis of market data to identify top-selling products,
- Supplier relationships,
- Strategic sourcing or bulk-ordering products from optimal suppliers,
- Planning warehousing and fulfillment options,
- Product listings including, pricing decisions, and pricing updates,
- Deployment of Store look and feel (including Store name which may change from time to time),
- Customer service including quality control, and processing returns,

and

- Internal financial reporting.

Service Provider shall make commercially reasonable efforts to maintain the uniqueness of the Store. In the event Client discovers certain inventory overlap with other stores, Client agrees to notify Service Provider.

71. Wealth Assistants knew that it would not provide the “Management” services described in that portion of the contract.

72. The same contract also promised a purported “Buyback Warranty,” which stated, in part, as follows:

In the event Profit does not exceed the Threshold by the Milestone, Client may elect to receive from Service Provider: (1) a Credit, or (2) the Buyback Amount.

“**Profit**” means Gross Income less the Success Fee received by the Milestone.

“**Threshold**” means the Set-Up Fee.

“**Credit**” means an amount equivalent to the Annual Fee, and redeemable, at Client’s option, by refund if already paid, or by application to Client’s account.

“**Buyback Amount**” means an amount equivalent to the Threshold less the Profit.

73. Wealth Assistants knew that it never intended to honor the terms of its Buyback Warranty, and Wealth Assistants in fact did not honor the terms of its Buyback Warranties with Plaintiffs.

B. Wealth Assistants’ Marketing

74. Wealth Assistants sent most of its prospective clients projections showing that the stores Wealth Assistants managed would generate more than \$10,000 per month. An example of such a slide is shown below:



75. Very few, if any, of Wealth Assistants' investors ever achieved the "monthly profit totals" advertised by Wealth Assistants.

76. Wealth Assistants knew that its clients could not reasonably expect to achieve more than \$10,000 per month in profits.

77. The slide deck also included the following slide:

OUR 100% STORE BUY BACK*

We're so confident in our ability to build you an income stream on Amazon that we offer all of our clients a 12-18 month buyback on their initial onboarding investment.



How it works:

If you have not recouped your initial investment back within 12-18 months from your first sale we will give you the opportunity to either:

1

Have us buy back your Amazon store from you at the price difference you didn't make back or...

2

We will waive your annual store renewal fee and continue operating and scaling your Amazon Store free of charge.

* See "buy-back" clause in our service agreements

** Please request and read our service agreement so you understand our buy back clause prior to hiring us to manage your store

78. Wealth Assistants knew that it did not intend to honor the "Buy Back" guarantee advertised in the slide above.

79. Wealth Assistants also lured clients with false advertising on social media. For example, on March 28, 2023, Wealth Assistants posted on its Facebook account that "you'll have the opportunity to sell your business 2-3 years from opening up your Amazon store (once your sales are \$100K+/monthly)."

C. Plaintiffs' Experiences With Wealth Assistants

80. In July of 2022, a representative from Wealth Assistants named Charles Fitzgerald Butler emailed Plaintiff **Amund Thompson** and attached a PowerPoint that projected stores managed by Wealth Assistants would generate more than \$10,000 per month in profits by the end of the store's first year.

1 81. In November of 2022, Thompson signed a contract to purchase the business
2 opportunity Wealth Assistants was offering.

3 82. In or around November of 2022, Thompson paid Wealth Assistants \$50,000 to
4 cover the onboarding fee.

5 83. In early 2023, Thompson paid \$5,000 to Wealth Assistants for inventory.

6 Thompson paid Wealth Assistants that money by wiring the money to an
7
8 escrow agent called Marker Law.
9

10 84. In total, to date, Thompson has received no more than \$5,000 in connection
11 with the business opportunity that Thompson purchased from Wealth
12 Assistants.
13

14 85. In August of 2022, a representative of Wealth Assistants named Mack
15 McKaughan told Plaintiff **David Hough** that if Wealth Assistants managed a
16 store for Hough, Wealth Assistants projected that the store would generate
17 \$10,000 of income per month by the end of the store's first year.
18

19 86. Hough signed a contract to purchase the business opportunity Wealth
20 Assistants was offering in August of 2022, and around the same time Hough
21 paid Wealth Assistants \$55,000 for the onboarding fee.
22

23 87. Hough later wired approximately \$10,000 to Wealth Assistants for inventory.
24

25 88. Hough has received less than \$4,000 in connection with the business
26 opportunity he purchased from Wealth Assistants.

27 89. **Isabel Ramos and Anthony Ramos** are married and have several children.
28

1 90. Anthony Ramos spoke to Defendant Jared Day around January of 2023. Prior
2 to when Anthony and Isabel purchased the business opportunity Wealth
3 Assistants was selling, Jared Day told Anthony that if he purchased that
4 business opportunity, his store would generate around \$10,000 of passive
5 income per month.
6

7 91. In January of 2023, Anthony and Isabel purchased the business opportunity
8 Wealth Assistants was offering.
9

10 92. In or around January of 2023, Isabel and Anthony paid Wealth Assistants
11 \$75,000 as the onboarding fee for the business opportunity.
12

13 93. Thereafter, Isabel and Anthony paid many inventory invoices that they
14 received from Wealth Assistants. Isabel and Anthony paid those inventory
15 invoices, which totaled approximately \$18,000.
16

17 94. Isabel and Anthony received less than \$5,000 in connection with the business
18 opportunity they purchased from Wealth Assistants.
19

20 95. Plaintiff **Michael Nibarger** is a retired California Patrol Officer.

21 96. In or around September of 2022, Nibarger spoke to a representative of Wealth
22 Assistants named Brayton Bushby. Bushby sent Nibarger a PowerPoint stating
23 that Wealth Assistants' stores could be expected to generate up to \$10,000 per
24 month in profits.
25

26 97. Nibarger then decided to purchase the business opportunity Wealth Assistants
27 was offering in September of 2022. Nibarger paid Wealth Assistants \$55,000
28

1 as the onboarding fee for the business opportunity Wealth Assistants was
2 offering.

3 98.A Wealth Assistants representative named Ashley Nydam—who now works
4 for Defendant Wholesale Universe—assisted Nibarger in setting up his store.

5 99. Thereafter, Nibarger paid two inventory invoices he received from Wealth
6 Assistants for \$5,000 each.

7 100. Nibarger received less than \$3,000 in connection with the business
8 opportunity he purchased from Wealth Assistants.

9 **D. Wealth Assistants Announced It Was Shutting Down And Fraudulently**
10 **Transferred Many Of Its Assets To Ryan Carroll, Michael Day, Max K.**
11 **Day, and Max O. Day**

12 101. On October 23, 2023, Wealth Assistants wrote to its clients that it “will
13 not be able to honor any more Buyback Guarantees” and would “cease all
14 operations before December 1, 2023.”

15 102. Wealth Assistants did in fact shut down. For example, it fired all or
16 nearly all of its employees and stopped corresponding with its clients.

17 103. Wealth Assistants has not honored Plaintiffs’ Buyback agreements.

18 104. Many of Wealth Assistants’ clients have complained, requested refunds,
19 or requested that Wealth Assistants honor its Buyback agreements, but have
20 not received a response from Wealth Assistants.

1 105. Wealth Assistants transferred its funds—either directly or indirectly with
2 fraudulent transfers through entity Defendants—to Defendants Ryan Carroll,
3 Max K. Day, Max O. Day, and Michael Day for them to personally use.

4
5 106. Wealth Assistants also took steps to conceal the fraudulent transfers of
6 funds to its principals Ryan Carroll, Max K. Day, Max O. Day, and Michael
7 Day. For example, Wealth Assistants used “payment processors” to receive
8 payments from Wealth Assistants’ clients and transfer the funds to hidden bank
9 accounts not disclosed to its clients.
10

11 **E. When Wealth Assistants Shut Down, It Transitioned Many Of Its Clients’**
12 **Accounts And Assets To Quantum Ecommerce and Wholesale Universe**

13 107. Wholesale Universe and Quantum Ecommerce operate a partnership that
14 purports to provide store-management services similar to the store-
15 management services that Wealth Assistants used to purport to provide.
16

17 108. Bonnie Nichols, the owner of Wholesale Universe, has described
18 Wholesale Universe and Quantum Ecommerce as “like a brother-sister
19 company” in which Bonnie Nichols—acting through Wholesale Universe—
20 “lock[s] down the inventory” and Troy Marchand—acting through Quantum
21 Ecommerce—“provides the account management services,” such as monitoring
22 the online stores, handling returns and refunds, and helping to reactivate any
23 online stores that Amazon has deactivated.
24
25
26
27
28

1 109. Wholesale Universe and Quantum Ecommerce have presented
2 themselves as a joint partnership operating a single business when presenting
3 contracts to clients.
4

5 110. Moreover, Precision Trading LLC (one of the Wealth Assistants Entity
6 Defendants) has done business as “Quantum Ecom” according to its corporate
7 registration.
8

9 111. On October 27, 2023—approximately four days after Wealth Assistants
10 announced that it was shutting down—Bonnie Nichols described the manner in
11 which she (acting through Wholesale Universe) and Troy Marchand (acting
12 through Quantum Ecommerce) aided Wealth Assistants as follows, in an online
13 webinar presented publicly and targeted at Wealth Assistants’ former clients:
14

15 The way that we actually met Wealth Assistants is they reached
16 out to us about 90 days ago, because they were having issues with
17 supply chain, and with inventory and getting that product
18 uploaded into their clients stores. And because they know that
19 we've got that locked down, they reached out to us and they said,
20 hey, we need your help. And so we came on board about 90 days
21 ago, and we started servicing about 100 to 175 clients with our
22 products and services. We didn't have access to your information,
we had access to be able to upload the product into your store as
quickly as possible.

23 112. Upon information and belief, Bonnie Nichols’ statement is true insofar
24 as Bonnie Nichols and Troy Machand—acting through the Quantum-
25 Wholesale Partnership—did help Wealth Assistants. For example, upon
26 information and belief, Bonnie Nichols and Troy Marchand helped Wealth
27
28

1 Assistants recruit new clients and/or process payments from those clients to
2 Wealth Assistants.

3 113. However, the Quantum-Wholesale Partnership did not provide
4 reasonable inventory or store-management services to 100 clients. For
5 example, it is not true that the Quantum-Wholesale Partnership provided
6 \$10,000 or more of inventory to 100 stores that Wealth Assistants was
7 managing.
8
9

10 114. As discussed above, on October 23, 2023, Defendant Ryan Carroll—the
11 CEO of Wealth Assistants—emailed Wealth Assistants’ clients, including
12 Plaintiffs, stating Wealth Assistants “will not be able to honor any more
13 Buyback Guarantees” and would “cease all operations before December 1,
14 2023.” The same email also stated that Wealth Assistants was offering its
15 clients a “Transition Agreement.” Specifically, Wealth Assistants offered its
16 clients the opportunity to transition their stores to management by another e-
17 commerce firm on “favorable terms.” The email also attached a “comparison of
18 vendor proposals,” which purportedly compared three e-commerce firms that
19 had offered “favorable terms” to manage Wealth Assistants’ clients’ stores. But
20 the only e-commerce firms actually identified in the “vendor proposals” were
21 “Quantum Ecom” and “Wholesale Universe,” which jointly offered a proposal.
22 The other “vendors” offering the proposal were anonymous.
23
24
25
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1 115. After Wealth Assistants shut down, many former clients of Wealth
2 Assistants began receiving unsolicited emails from Wholesale Universe, acting
3 on behalf of the Wholesale Universe and Quantum Ecommerce joint
4 partnership. Some of those emails stated that “prior to going out of business,
5 Wealth Assistants purchased an inventory package for you valued at \$35,000.
6 It is now ready for upload to your Amazon FBA account.”
7

8
9 116. The statement about the inventory-package purchases was false because
10 Wealth Assistants had not in fact purchased \$35,000 inventory packages for all
11 of the recipients of that email before it shut down.
12

13 117. However, Wealth Assistants did in fact transfer assets from itself to
14 Wholesale Universe. Wealth Assistants and Wholesale Universe made that
15 transfer for the purpose of preventing Wealth Assistants’ current and future
16 creditors, including Plaintiffs, from accessing Wealth Assistants’ assets.
17

18 118. In the October 27th, 2023 webinar noted above, Bonnie Nichols
19 described the Quantum-Wholesale Partnership’s reaction to hearing that
20 Wealth Assistants was shutting down by stating:
21

22 We were kind of like, you know, caught off guard just like you
23 guys were over the last couple of weeks when all this happened.
24 And so, so we're kind of right now, filling, figuring out
25 how we can reach out to you guys, but we have a ton of product—
26 it's at our warehouse right now—that's ready to be uploaded into
27 your accounts.

28 And so all we need is to be able to get you guys onboarded and to
get your user permission access to your store so that we can
upload the inventory for the funds that was sent over to us from

1 Wealth Assistants, since that's still pending to be uploaded into
2 your accounts.

3 119. Meanwhile, Bonnie Nichols, Troy Marchand, and either Max K. Day or
4 Max O. Day were instant messaging in a group called “Fulfillable” (the name
5 of one of the Wealth Assistants Entity Defendants) about how the Quantum-
6 Wholesale Partnership could gain to access Wealth Assistants’ former clients’
7 online stores.

8
9 120. On December 19, 2023, Wholesale Universe—acting on behalf of the
10 Quantum-Wholesale Partnership—sent an email to many of Wealth Assistants’
11 clients. Although the vast majority of the recipients of the email had not
12 partnered with Wholesale Universe, the email began by stating “We appreciate
13 your partnership with Wholesale Universe and value the opportunity to assist
14 in providing you your Amazon inventory efficiently, as was ordered by Wealth
15 Assistants over the last 100 plus days.” The email later stated “to ensure a
16 smooth transition, we kindly request your prompt attention to the following
17 matters: Please provide Wholesale Universe User Access Permission . . .” The
18 email later stated “failure to provide the required information within the next
19 30 days will result in the initiation of a monthly storage fee of \$500,
20 commencing from December 20, 2023. This fee will be deducted from your
21 inventory amount currently on hand at WU.”
22
23
24
25
26

27 121. Many of Wealth Assistants’ former clients who received Wholesale
28 Universe’s email demanded that the Quantum-Wholesale Partnership provide

1 those former clients with the money that Wealth Assistants had paid the
2 Quantum-Wholesale Partnership for the former clients' respective stores'
3 inventory.
4

5 122. The Quantum-Wholesale Partnership refused to make those payments to
6 the vast majority of former Wealth Assistants clients who asked for them. The
7 Quantum-Wholesale Partnership told at least one former Wealth Assistants
8 client that any such requests must be directed to Wealth Assistants' bankruptcy
9 attorneys, but it would not say who the Wealth Assistants bankruptcy attorney
10 is, and none of the Wealth Assistants Entity Defendants had declared
11 bankruptcy.
12
13

14 **F. The Payment Processor Defendants Conspired With Wealth Assistants To**
15 **Help It Conceal Assets From Plaintiffs**

16 123. **Wealth Assistants' "Payment Processing" Strategy:** Wealth
17 Assistants knew, at all times it existed, that it was operating a fraudulent
18 scheme.
19

20 124. Accordingly, Wealth Assistants suspected that its clients would
21 eventually either attempt to charge back their credit cards to recover their
22 payments, or sue Wealth Assistants to attempt to recover their payments.
23

24 125. Moreover, Wealth Assistants knew that it would likely lose any
25 chargeback disputes or lawsuits commenced against it.
26

27 126. Accordingly, Wealth Assistants attempted to conceal the proceeds of its
28 fraudulent scheme so that, even when it lost chargeback disputes or lawsuits,

1 its clients would not be able to recover their money because they would not be
2 able to find the assets.

3 127. Furthermore, Wealth Assistants knew that it would need to avoid
4 scrutiny from anti-money-laundering regulators and law enforcement because,
5 if it drew scrutiny, it would be easy for regulators and law enforcement officers
6 to detect that Wealth Assistants was a fraudulent scheme.
7

8
9 128. Wealth Assistants and its payment processors attempted to avoid
10 drawing scrutiny from regulators, and attempted to make its assets more
11 difficult for creditors to find, by: (1) avoiding large transactions, (2) using
12 many different payment processors so that no single payment processor was
13 processing too much money, (3) dividing its assets into many different bank
14 accounts, and (4) upon information and belief, passing money through many
15 different accounts or processors before the money reached its final destination
16 (collectively, the “Payment Processing Strategy”).
17

18
19 129. **Travis Marker**: Defendant Travis Marker, acting on behalf of his
20 companies Marker Law & Mediation and Parlay Law Group, served as an
21 “escrow agent” for Wealth Assistants.
22

23 130. In his capacity as an “escrow agent,” Travis Marker collected payments
24 from Wealth Assistants’ clients and then passed them to bank accounts
25 controlled by Wealth Assistants.
26
27
28

1 131. In order to collect payments from Wealth Assistants' clients, Marker
2 often shipped credit card readers to the clients and instructed them to make
3 discrete small payments.

4
5 132. Sometimes, Marker sent a Wealth Assistants client more than one credit
6 card reader because, he told them, a single credit card reader could only
7 process a small amount of payments at one time.

8
9 133. Marker used different credit card readers to process payments, in small
10 discrete amounts, to attempt to avoid money-laundering detection.

11 134. **Total-Apps on behalf of Wells Fargo:**

12
13 135. The Executive Director of Total-Apps is Rey Pasinli. Rey Pasinli. In
14 2005, the Federal Trade Commission brought an action against Rey Pasinli in
15 the Central District of California in Case Number CV 05-6054. The complaint
16 alleged that Pasinli "provided payment processing services to a fraudulent
17 enterprise known as Pharmacycards, which attempted to steal at least \$1.2
18 million from thousands of consumer checking accounts." Specifically, he
19 "arranged for consumers' accounts to be debited without personally meeting
20 any individual associated with the Pharmacycards operation" and did not
21 "require proof that consumers had authorized the debits to their checking
22 accounts."
23
24
25

26 136. To resolve the suit brought by the Federal Trade Commission, Pasinli
27 stipulated to a permanent injunction. He agreed to refrain from "taking any
28

1 action to process any payment, directly or on behalf of any client, against any
2 consumer's credit card or bank account without having previously undertaken a
3 reasonable investigation to determine that the consumer has provided
4 defendants or the client with express verifiable authorization.”

6 137. After stipulating to that permanent injunction, Pasinli became the owner
7 and Executive Director of the company Total-Apps. Total-Apps states on its
8 website that it is “a registered ISO of Wells Fargo Bank, N.A.”

10 138. Upon information and belief, Total-Apps was in fact a registered
11 independent sales company (“ISO”) of Wells Fargo at all times relevant to this
12 dispute, meaning that Wells Fargo was Total-Apps sponsor.

14 139. An ISO is an entity that is authorized to market and sell the services of
15 banks.

17 140. According to its website, the services that Total Apps provides to
18 merchants as a Wells Fargo-sponsored ISO include:

- 19 a. “if payment processing has been halted, we are able to help you restore
20 payment processing by quickly setting up the new merchant accounts.”
21
22 b. “If funds have been frozen, we can recommend the best process to
23 release these funds and resume business operations quickly.”
24
25 c. “reduc[ing] reserve rates”
26
27 d. “increas[ing] processing limits”
28
e. “fraud chargeback response”

1 f. “Total-Apps is the expert in providing Merchant Account Services and
2 Advanced Payment Processing Solutions. To optimize your process you
3 can select to outsource payment processing to our team. Alternatively,
4 we can provide on-site and off-site training for your employees.”
5

6 141. As Total-Apps’ sponsoring bank, Wells Fargo had a duty to supervise
7 and monitor Total-Apps.
8

9 142. Upon information and belief, Total-Apps acted as Wells Fargo’s agent
10 whenever it was assisting Wealth Assistants, including when it was helping
11 Wealth Assistants process payments and conceal the proceeds of its fraudulent
12 scheme.
13

14 143. Total-Apps had access to Wealth Assistants’ financial records.
15

16 144. Upon information and belief, Total-Apps frequently served As Wealth
17 Assistants’ payment processor.

18 145. For example, in January of 2023, Max O. Day was attempting to recruit
19 a new “payment processor” called “Mint Solutions.” In doing so, Max O. Day
20 sent the email shown below to Mint Solutions and the email addresses
21 Rey@total-apps.com and Alison@total-apps.com:
22
23
24
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1 From: Max Day <maxday@wealthassistants.com>
2 Date: Thu, Jan 5, 2023 at 1:43 PM
3 Subject: Introductions
4 To: Zach Henson <zach@mintsolutions.biz>, Alison Schmidt <alison@total-apps.com>, Rey Pasinli <Rey@total-apps.com>
5
6 Zach <> Rey & Alison
7
8 Zach - I would like to introduce you Rey and Alison with Total Apps. I have known
9 Rey for 15+ years, and he is a trusted friend. They take a very creative and
10 custom approach to processing. They could help with your rapidly expanding
11 business.
12
13 Y'all take it from here.
14
15 Very Best,
16 Max

13 146. The phrase “very creative and custom approach to processing” in the
14 email shown above was Max O. Day’s euphemism to convey that Total-
15 Apps—acting on behalf of Wells Fargo—had helped the Day family and
16 Wealth Assistants process payments in a manner that concealed assets and
17 avoided scrutiny from regulators.
18

19 147. More generally, Total-Apps assisted Wealth Assistants in concealing its
20 assets and avoiding regulatory scrutiny by helping Wealth Assistants and the
21 payment processors implement the Payment Processing Strategy described
22 above.
23

24 148. **Wells Fargo’s Obligations:**

25 149. Federal law requires banks to know their customers and understand their
26 customers’ banking behavior. Under applicable regulations, a bank must
27
28

1 maintain procedures that allow it to “form a reasonable belief that it knows the
2 true identity of each customer.” 31 C.F.R. §§ 1020.220(a)(1), (2). Thus, banks
3 are required to collect information about the holder of each account. Where an
4 entity opens an account, the bank must obtain information concerning the
5 individuals who control the account.
6

7 150. Wells Fargo is obligated to comply with the Bank Secrecy Act (BSA),
8 12 C.F.R. § 21.21, including regulations broadening its anti-money laundering
9 provisions.
10

11 151. The BSA requires Wells Fargo to develop, administer, and maintain a
12 program to ensure compliance. The program must be approved by the bank’s
13 board of directors and noted in the board meeting minutes. It must: (1) provide
14 for a system of internal controls to ensure ongoing BSA compliance, (2)
15 provide for independent testing of the bank’s compliance, (3) designate an
16 individual to coordinate and monitor compliance, and (4) provide training for
17 appropriate personnel.
18
19
20

21 152. Customer due diligence programs should be tailored to the risk presented
22 by individual customers, such that the higher the risk presented, the more
23 attention is paid. Where a customer is determined to be high risk, banks should
24 gather additional information about the customer and accounts, including
25 determining: (1) purpose of the account; (2) source of funds; (3) proximity of
26
27
28

1 customer's residence to the bank; and (4) explanations for changes in account
2 activity.

3 153. Additionally, Wells Fargo must designate a BSA compliance officer
4 who is a senior bank official responsible for coordinating and monitoring
5 compliance with the BSA. The compliance officer must, in turn, designate an
6 individual at each office or branch to monitor the bank's day-to-day BSA
7 compliance.
8
9

10 154. The federal government established the Federal Financial Institutions
11 Examination Council (FFIEC) in 1979 to prescribe uniform principles,
12 standards, and report forms and to promote uniformity in the supervision of
13 financial institutions. The FFIEC's Bank Secrecy Anti-Money Laundering
14 Manual (FFIEC Manual) summarizes BSA and anti-money laundering
15 compliance program requirements, risks and risk management expectations,
16 industry sound practices, and examination procedures. The FFIEC Manual is
17 based on BSA laws and regulations and BSA and anti-money laundering
18 directives issued by federal banking agencies, such as the Federal Reserve, the
19 Federal Deposit Insurance Corporation (FDIC), and the Office of the
20 Comptroller of Currency. See FFIEC BSA/AML Examination Manual, at p. 5
21 (2010).
22
23
24
25

26 155. Banks must also ensure that their employees follow BSA guidelines.
27 Banks make compliance a condition of employment and incorporate
28

1 compliance with the BSA and its implementing regulations into job
2 descriptions and performance evaluations. Banks are therefore required to
3 train all personnel whose duties may require knowledge of the BSA on that
4 statute's requirements.
5

6 156. Banks and their personnel must be able to identify and take appropriate
7 action once put on notice of any of a series of money laundering "red flags" set
8 forth in the FFIEC BSA/AML Examination Manual. These red flags include:
9
10 (1) repetitive or unusual fund transfer activity; (2) fund transfers sent or
11 received from the same person to or from different accounts; (3) transactions
12 inconsistent with the account holder's business; (4) transfers of funds among
13 related accounts; (5) depositing of funds into several accounts that are later
14 consolidated into a single master account; (6) large fund transfers sent in round
15 dollar amounts; (7) multiple accounts established in various corporate names
16 that lack sufficient business purpose to justify the account complexities; (8)
17 multiple high-value payments or transfers between shell companies without a
18 legitimate business purpose; (9) payments unconnected to legitimate contracts
19 or revenue sources; (10) fund transfers containing limited content or related
20 party information; (11) transacting businesses sharing the same address; and
21 (12) an unusually large number of persons or entities receiving fund transfers
22 from one company.
23
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1 157. **Wells Fargo's Illegal Activities And Notice Of Fraudulent Scheme:**

2 Wells Fargo acted as a co-conspirator in the Wealth Assistants fraudulent
3 scheme through its agent, Total-Apps, as discussed above.

4
5 158. Wells Fargo also participated in the conspiracy by keeping custody of
6 Wealth Assistants' assets and other Defendants' assets.

7
8 159. Upon information and belief, Wells Fargo also processed payments for
9 Wealth Assistants.

10 160. Wells Fargo also must develop a customer due diligence program to
11 assist in predicting the types of transactions, dollar volume, and transaction
12 volume each customer is likely to conduct, thereby providing the bank with a
13 means for identifying unusual or suspicious transactions for each customer.
14 The customer due diligence program allows the bank to maintain awareness of
15 the financial activity of its customers and the ability to predict the type and
16 frequency of transactions in which its customers are likely to engage.

17
18
19 161. Upon information and belief, Wells Fargo knew that Wealth Assistants
20 was a fraudulent scheme when Wells Fargo custodied Wealth Assistants' assets
21 and processed its payments.

22
23 162. Wells Fargo custodied the following accounts:

24 a. A \$400,000 account held in the name of Max K. Day.;

25 b. A \$40,000 account held in the name of Maxpro Marketing LLC (one of
26 Max K. Day's alter egos).
27
28

- c. A \$65,000 account held by Business Financial Solutions Advisory LLC.
- d. A \$280,000 account held by Precision Trading Group, LLC (one of the Wealth Assistants Entity Defendants).
- e. A \$600,000 investment account held by Precision Trading Group, LLC d.b.a. Wealth Assistants LLC;
- f. A \$20,000 account held by Precision Trading Group, LLC d.b.a. WA Amazon Seller;
- g. A \$20,000 account held by Precision Trading Group, LLC d.b.a. WA Distribution LLC;
- h. A \$3,400,000 account held by Precision Trading Group, LLC d.b.a. Wells Fargo;
- i. A \$20,000 account held by Precision Trading Group, LLC d.b.a. WA Brand Management LLC
- j. A \$20,000 account held by Precision Trading Group, LLC d.b.a. Carol Enterprises LLC

163. The Wealth Assistants Entity Defendants and the Human Defendants' interrogatory responses have indicated that each of those accounts listed above was "closed by Wells Fargo" and now contain no money.

164. Upon information and belief, Wells Fargo knew that the accounts mentioned above—and other accounts associated with Wealth Assistants and

1 its principals—were being used to facilitate a fraudulent scheme for the
2 following reasons, among others:

- 3 a. Wells Fargo received numerous chargeback requests—which contained
4 descriptions of the Wealth Assistants fraudulent scheme—from Wealth
5 Assistants' clients. Those requests requested reversals of payments the
6 clients had made to the accounts listed above. Wells Fargo failed to
7 respond to many of those chargeback requests.
8
9
10 b. Many of Wells Fargo's own clients were themselves clients of Wealth
11 Assistants and asked Wells Fargo to reverse wire transfers or
12 chargebacks they had made to the Wealth Assistants accounts listed
13 above. Wells Fargo spoke to those clients about Wealth Assistants'
14 fraudulent activities but still failed to reverse the wire transfers or
15 chargebacks.
16
17
18 c. Counsel for Plaintiffs sent Wells Fargo multiple letters describing
19 Wealth Assistants' fraudulent scheme, and informing Wells Fargo that
20 Precision Trading was part of the fraudulent scheme, from January
21 through May of 2024.
22
23
24 d. Upon information and belief, Wells Fargo's agent—Total Apps—was
25 corresponding with Wealth Assistants about concealing the fraudulent
26 proceeds of the accounts at issue.
27
28

1 e. Bank of America froze Wealth Assistants' accounts in 2022. That
2 information was publicly available because Wealth Assistants filed a
3 complaint against Bank of America when the accounts were frozen.

4
5 f. Members of the Day family had previously been the subjects of an
6 adversarial action brought by a bankruptcy trustee alleging that they had
7 perpetrated a fraudulent scheme. Accordingly, Wells Fargo knew that
8 the accounts were high risk and needed to be subject to heightened
9 scrutiny.
10

11 165. Moreover, even when Wells Fargo received an asset freeze order from
12 this Court, Wells Fargo refused to take any immediate action to ensure that it
13 did not participate in a violation of the court order or in further fraudulent
14 activity in the accounts at issue. It instead stated "the bank will not be
15 enjoining or freezing any of the accounts of the jurisdictional defendants" as
16 shown below:
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David.Pinch@wellsfargo.com Mon, Apr 15, 6:24 PM
to me, Rory.D.Zamansky, Michael.Lipsitz, David.Pinch

Dear Mr. Banks:

Please know that Wells Fargo Bank, N.A. has received the temporary restraining order that you forwarded this afternoon. The bank appreciates receiving the copy of the order. I have reviewed its terms. The order is directed only at specific defendants within the jurisdiction of California (which the court has deemed the "jurisdictional defendants") and not Wells Fargo or any other bank. The defendants are enjoined from dispersing or removing funds with the monthly exception that each human may draw \$9000 per month for living expenses.

The order does not direct Wells Fargo to take any action or otherwise to monitor the accounts. The bank does not have a means to freeze an account and monitor a withdrawal limit of \$9000 per month per human.

Please let us know the outcome of the April 19, 2024, hearing on the preliminary injunction. In the meantime, the bank will not be enjoining or freezing any of the accounts of the jurisdictional defendants. The court has not ordered the bank to take that action.

David E. Pinch
Senior Counsel
Wells Fargo Legal Department
david.pinch@wellsfargo.com

G. The Human Defendants All Conspired To Carry Out The Fraud Described Above

166. Defendant **Ryan Carroll** is the Chief Executive Officer of Wealth Assistants. He participated in the conspiracy described above in the following ways:

- a. Ryan Carroll claims that he founded Wealth Assistants and led the company's growth.

- 1 b. Ryan Carroll used videos of himself to recruit new clients for Wealth
2 Assistants. Those videos included intentionally false statements. For
3 example, he stated in those recorded videos that Wealth Assistants’
4 stores could be expected to generate more than \$10,000 in profits per
5 month.
6
- 7 c. Ryan Carroll fraudulently transferred money from Wealth Assistants to
8 himself and used that money for personal gain. For example, Carroll
9 stated on social media that he had purchased a Lamborghini.
10
- 11 d. Ryan Carroll is the founder and owner of **Defendant Yax Ecommerce**
12 **LLC**, which did business as “Wealth Assistants LLC.”
13
- 14 e. Carroll is also the owner of **WA Amazon Seller LLC** and the manager
15 of the North Carolina branch of Defendant **WA Distribution LLC**, both
16 of which collected payments from Wealth Assistants’ victims on behalf
17 of Wealth Assistants.
18
- 19 f. Carroll also created the company Daddy Jules LLC which, upon
20 information and belief, serves the sole purpose of concealing Ryan
21 Carroll’s personal assets.
22
- 23 g. Carroll is also the owner of **Dreams to Reality LLC**, which is an owner
24 of Defendant Yax Ecommerce LLC. Upon information and belief, the
25 sole purpose of Dreams to Reality LLC is to serve as an alter ego for
26
27
28

Ryan Carroll to make it more difficult for victims of Wealth Assistants to collect judgments from him.

167. **Max K. Day** is an owner of Wealth Assistants. He participated in the conspiracy described above in the following ways:

- a. Max K. Day formed and managed Defendant **Precision Trading Group, LLC**. According to Precision Trading Group's corporate registration, it operated under the "assumed names" of "Wealth Assistants LLC," "WA Distribution, LLC," "WA Brand Management, LLC," and "WA Amazon Seller, LLC" beginning on December 14, 2022. Precision Trading accepted payments on behalf of Wealth Assistants from many Wealth Assistants clients.
- b. Max K. Day is the Director of Defendant **Providence Oak Properties, LLC**. Providence Oak Properties, LLC accepted payments on behalf of Wealth Assistants from many of Wealth Assistants' clients. A representative of Wealth Assistants stated, "Providence Oak Properties is a part of Wealth Assistants."
- c. Ryan Carroll described Max K. Day as his "mentor" and "business partner" in starting and managing Wealth Assistants.
- d. Max K. Day represented to one or more of Wealth Assistants' clients that they would receive a refund on their store. When he made that representation to Wealth Assistants' client Dominic Camany in

1 September of 2023, Max K. Day knew that it was not true, and in fact
2 Camany never received a refund.

3 e. Max K. Day aided and abetted the fraudulent scheme at issue by drawing
4 on his past experiences in fraudulently transferring assets. For example,
5 in 1992, Max K. Day agreed to injunctive relief after being charged by
6 the Federal Trade Commission with operating a fraudulent credit card
7 scheme. Likewise, in 2006, Max K. Day and his family ran a fraudulent
8 enterprise called “Today’s Destiny.” Today’s Destiny—much like the
9 fraudulent scheme at issue in this case—lured victims by promising to
10 make them rich if they paid for the business opportunity Today’s
11 Destiny was offering. Today’s Destiny took money from its victims and
12 did not provide the promised services. The Days then transferred the
13 money collected by Today’s Destiny to themselves, and they had
14 Today’s Destiny declare bankruptcy. The United States Trustee for
15 Today’s Destiny brought an adversary complaint against the Days for
16 their fraudulent transfers.

17 f. Max K. Day also created each of the following entities, which are
18 defendants in this case: **MKD Investment Advisor, LLC; MKD**
19 **Family Beneficiary, LLC; MKD Family Private Management**
20 **Company, LLC; Max Day Consulting, LLC; HouTex Farm Equity**
21 **Partners LLC; Business Financial Solutions Advisory LLC; and Evo**

1 **Maxx LLC.** Upon information and belief, Max K. Day created those
2 entities for the sole purpose of concealing his assets, including
3 concealing proceeds of the fraudulent scheme described above.
4

5 168. **Defendant Max O. Day** was the Chief Growth Officer at Wealth
6 Assistants. He participated in the conspiracy described above in the following
7 ways:
8

9 a. Wealth Assistants’ “payment processors” accepted payments on behalf
10 of Wealth Assistants’ clients and then paid that money to other bank
11 accounts associated with Wealth Assistants or its principals. Upon
12 information and belief, Wealth Assistants used “payment processors” to
13 make it more difficult for its victims to track where their money had
14 gone once the victims realized they had been defrauded. Max O. Day
15 asked an individual named Zach Henson to serve as a “payment
16 processor” for Wealth Assistants.
17

18
19 b. Max O. Day often stated that online stores managed by Wealth
20 Assistants would likely earn tens of thousands of dollars per month.
21 Many of Wealth Assistants’ clients relied on Max O. Day’s statements
22 when deciding to purchase the business opportunity Wealth Assistants
23 was selling. For example, in or around August of 2023, Max O. Day
24 helped convince an individual named Craig Dillehay to purchase the
25 business opportunity Wealth Assistants was offering, in part by telling
26
27
28

1 Dillehay that stores Wealth Assistants was managing were very
2 profitable. Max O. Day also helped convince an individual named Korey
3 McAleesejergins to purchase the business opportunity Wealth Assistants
4 was offering by making similar statements.
5

6 c. Like his uncle Max K. Day, Max O. Day brought to Wealth Assistants
7 his experience with similar fraudulent schemes and fraudulent transfers.
8 He, like his uncle, helped perpetrate the “Today’s Destiny” fraud
9 described above.
10

11 d. Max O. Day created the entity Defendant **Yax IP and Management**
12 **LLC**. Upon information and belief, that entity was an alter ego for the
13 other Wealth Assistants Entity Defendants, and it served no purpose
14 other than helping Defendants conceal the proceeds of the fraudulent
15 scheme from Defendants’ creditors.
16
17

18 169. **Defendant Michael Day** was another owner of Wealth Assistants and
19 provided financing for the company knowing that it was a fraudulent scheme.
20 He also made false statements to many of Wealth Assistants’ clients that they
21 relied upon when deciding to purchase the business opportunities Wealth
22 Assistants offered. For example, on October 12, 2022, Michael Day told
23 Wealth Assistants’ former client Haider Istanbuli, “we have developed a 72
24 point SOP protocol that virtually eliminates any possibility for deactivations or
25 suspensions,” when in fact Michael Day knew that Amazon stores that Wealth
26
27
28

1 Assistants set up were frequently deactivated or suspended for not complying
2 with Amazon's policies. Moreover, Michael Day co-owns **WWKB LLC**,
3 which is an owner of Yax Ecommerce LLC. Michael Day was also one of the
4 perpetrators of the Today's Destiny fraud described above.
5

6 170. Defendant **Jared Day** was another Wealth Assistants employee who
7 intentionally made false statements to many of Wealth Assistants' clients. For
8 example, he told Wealth Assistants' former clients Afshin Salehi and Michael
9 Whitten that they would likely be earning more than \$10,000 in profits per
10 month one year after they purchased the business opportunity Wealth
11 Assistants was offering. He made similar statements to Isabel Ramos.
12 Moreover, like the other Defendants who are members of the Day family, Jared
13 Day was a central perpetrator of the Today's Destiny fraud, and he used his
14 past experience in perpetrating frauds to assist with the Wealth Assistants
15 fraudulent scheme.
16

17 171. Defendant **Matthew Crouch** was the President of Wealth Assistants
18 beginning sometime in 2022 and continuing until October of 2023. He
19 participated in the conspiracy described above in the following ways:
20

- 21 a. Crouch told many of Wealth Assistants' clients that Wealth Assistants
22 was a prudent investment and that most of Wealth Assistants' clients
23 were very satisfied with their investments.
24
25
26
27
28

1 b. Crouch guaranteed Wealth Assistants' former clients that they would be
2 able to exercise their buyback guarantees.

3 c. Crouch told many of Wealth Assistants' clients that Wealth Assistants
4 would supply their stores with inventory if the clients paid the invoices
5 that Wealth Assistants had sent them.
6

7 172. Defendant Christine Carroll served as Wealth Assistants' Finance
8 Manager. Upon information and belief, she had access to Wealth Assistants'
9 bank accounts, and she initiated many fraudulent transfers from the Wealth
10 Assistants Entity Defendants. Upon information and belief, she was also in
11 charge of maintaining Wealth Assistants' accounting records, and creating and
12 sending invoices. Upon information and belief, she also monitored Wealth
13 Assistants financial accounts and records to help ensure that the assets were
14 concealed from Wealth Assistants' creditors and that the accounts were not
15 drawing scrutiny from government regulators. She performed those tasks
16 knowing that Wealth Assistants was operating the fraudulent scheme described
17 above.
18
19
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22 173. Defendant **Troy Marchand** is the owner of Quantum Ecommerce. He
23 has directed Quantum Ecommerce's conduct described above and aided in that
24 conduct. Upon information and belief, he is also the sole control person of
25 Quantum Ecommerce.
26
27
28

1 174. Marchand is also the owner and director of all of the following entities,
2 all of which are alter egos of Quantum Ecommerce: Quantum Health, LLC;
3 Quantum Staffing, LLC; Quantum Distribution, LLC; Quantum Ecommerce,
4 LLC; Quantum Ecom, LLC; Quantum Capital Group, LLC; and Quantum
5 Marketing, LLC.
6

7 175. In 2021, Marchand was permanently barred from serving as a
8 stockbroker or investment advisor after he settled charges brought by the
9 Securities and Exchange Commission alleging that he defrauded investors.
10

11 176. Defendant **Bonnie Nichols** is a co-owner of Wholesale Universe. Bonnie
12 Nichols is Wholesale Universe's sole control person. She has directed
13 Wholesale Universe's conduct described above and aided in that conduct.
14

15 177. Defendant **Travis Marker** is the owner and control person of Marker
16 Law and Parlay Law Group. He directed those entities conduct, as described
17 above.
18

19 178. Defendant Rey Pasinli is the owner and control person of Total-Apps.
20 He directed that entity's conduct, as described above.
21

22 **CLASS ACTION ALLEGATIONS**
23

24 179. Plaintiffs bring this class action pursuant to: (1) Fed. R. Civ. P. 23(a),
25 and (2) either Rule 23(b)(1) (which allows a class to be certified only if
26 adjudicating the matters individually would create a risk of inconsistent
27 adjudications or adjudications that impede other class members' rights) or,
28

alternatively, Rule 23(b)(3) (which allows a class to be certified only if issues common to the class predominate over individualized issues and a class method of adjudication is superior to other available methods).

180. **Class Definition:** Plaintiffs bring an action on behalf of a proposed class of all persons who:

- a. purchased services relating to the setup or management of an online store from the Wealth Assistants Entity Defendants between June of 2021 and November of 2023;
- b. did not make a profit on their purchase of that business opportunity; and
- c. have never been owners, employees, legal representatives, or successors of the Wealth Assistants Entity Defendants.

181. **Numerosity and Superiority:** More than 600 individuals fall within the proposed Class Definition. As a result, a class action is superior to other methods of adjudicating the claims of the putative class members; litigating their claims individually would be impractical.

182. **Commonality and Predominance:** The issues common to the class—which predominate over issues not common to the class—include:

- a. whether Defendants agreed with each other to operate Wealth Assistants;
- b. whether Wealth Assistants included in its marketing materials—which, upon information and belief, were shared with nearly all of Wealth Assistants' clients to induce them to purchase the business opportunity

Wealth Assistants was offering—statements that were not true, or omitted to state material facts about that business opportunity necessary to make statements made not misleading;

- c. whether those misstatements or omissions were material;
- d. whether Defendants knew or should have known that those statements were not true;
- e. whether those misrepresentations and omissions—such as the representation that the business opportunities Wealth Assistants was offering were profitable—were necessarily relied upon by any individual who purchased the business opportunity Wealth Assistants was offering;
- f. whether the Alter Ego Defendants are their owners’ alter egos;
- g. whether the Wealth Assistants Entity Defendants are each others’ alter egos;
- h. whether the Wealth Assistants Entity Defendants transferred money to or for the benefit of others without receiving a reasonably equivalent value in exchange and, if so, to whom Wealth Assistants made those transfers.

183. **Typicality:** Like all of the proposed class members, Plaintiffs seek to recover the financial losses they suffered because of Wealth Assistants’ misrepresentations regarding the business opportunities sold to them and Defendants’ subsequent concealment of assets.

1 184. **Adequacy of Representation:** Plaintiffs are members of the class and
2 will fairly and adequately represent and protect its interests. Plaintiffs have no
3 interests contrary to or in conflict with the interests of other class members.
4

5 185. Nico Banks and Richard Nervig are competent and experienced
6 attorneys representing Plaintiffs.
7

8 186. **Risk of Inconsistent Or Impeding Adjudications:** Prosecuting
9 separate actions by individual class members would create a risk of
10 inconsistent or varying adjudications that would establish incompatible
11 standards of conduct for at least one party opposing the class.
12

13 187. Moreover, adjudications with respect to individual class members
14 would, as a practical matter, substantially impair the ability of other members
15 to protect their interests because of the limited assets that may be available to
16 remedy harms done to Plaintiffs in this case.
17

18 **CAUSES OF ACTION**

19 **COUNT ONE**

20 **CIVIL CONSPIRACY TO DEFRAUD PLAINTIFFS AND CONCEAL**
21 **ASSETS**

22 **(AGAINST ALL DEFENDANTS)**
23

24 188. Plaintiffs incorporate by reference all allegations above.

25 189. The elements of fraud are a misrepresentation, knowledge of its falsity,
26 intent to defraud, justifiable reliance, and resulting damage.
27
28

1 190. To establish the element of conspiracy, a plaintiff must show (1)
2 formation and operation of the conspiracy; (2) wrongful act or acts done
3 pursuant thereto; and (3) resulting damage.
4

5 191. All Defendants conspired, and agreed among each other, to make
6 misrepresentations to Plaintiffs to entice them to purchase the services of
7 Wealth Assistants.
8

9 192. Defendants overtly acted in furtherance of that conspiracy.

10 193. Defendants knew of the falsity of the misrepresentations to Plaintiffs.

11 194. Plaintiffs relied on those misrepresentations when purchasing services or
12 goods from Wealth Assistants.
13

14 195. Moreover, Defendants agreed to transfer assets from the Wealth
15 Assistants Entities to the others when the recipients of the transfers did not
16 provide Wealth Assistants anything of comparable value in exchange.
17

18 196. Defendants agreed with each other to make the transfers in order to
19 prevent Wealth Assistants' current and future creditors, including Plaintiffs,
20 from collecting those assets.
21

22 197. When making that agreement to transfer assets, Defendants believed or
23 reasonably should have believed that the Wealth Assistants Entity Defendants
24 would incur debts beyond their ability to pay as they became due.
25

26 198. Defendants did in fact transfer funds from Wealth Assistants directly or
27 indirectly.
28

199. The transfers harmed Plaintiffs, in part because the transfers caused Wealth Assistants to be undercapitalized and ultimately to go out of business, rendering it unable to pay any judgment that may be entered against it.

200. Plaintiffs suffered damages as a result of the acts performed pursuant to the conspiracy.

COUNT TWO

AIDING AND ABETTING A FRAUD

(AGAINST ALL DEFENDANTS)

201. Plaintiffs incorporate by reference all allegations above.

202. Defendants had knowledge that the Wealth Assistants Entity Defendants were engaged in the fraudulent scheme described above.

203. Defendants substantially assisted in that fraudulent scheme, either by assisting in the making of fraudulent misrepresentations or assisting in the concealment of assets.

COUNT THREE

FRAUDULENTLY TRANSFER OF ASSETS

(AGAINST THE ALTER EGO DEFENDANTS, THE QUANTUM-WHOLESALE PARTNERSHIP, BONNIE NICHOLS, AND TROY MARCHAND — COLLECTIVELY, THE “RECIPIENT DEFENDANTS”)

1. Plaintiffs incorporate by reference all allegations above.

2. Upon information and belief, the Recipient Defendants received payments from the other Defendants.
3. Upon information and belief, the non-Recipient Defendants transferred assets to the Recipient Defendants when the non-Recipient Defendants knew that they were insolvent.
4. The non-Recipient Defendants made those transfers with the intent to hinder, delay or defraud Plaintiffs.
5. Those transfers by the non-Recipient Defendants were a substantial factor in rendering Plaintiffs unable to collect upon debts that Wealth Assistants owes them.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs respectfully request that the Court:

- A. Award compensatory damages to Plaintiffs in the amount of \$57,000,000, for which all Defendants are jointly and severally liable;
- B. Award attorneys' fees and costs to Plaintiffs in an amount to be determined at trial;
- C. Enjoin Defendants from fraudulently transferring assets;
- D. Grant to Plaintiffs whatever other relief is just and proper.

Jury Trial Demanded

1
2 DATED: May 20, 2024

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